

State of Arizona
House of Representatives
Forty-seventh Legislature
Second Regular Session
2006

HOUSE BILL 2221

AN ACT

AMENDING TITLE 9, ARIZONA REVISED STATUTES, BY ADDING CHAPTER 12; AMENDING SECTION 33-1247, ARIZONA REVISED STATUTES; AMENDING TITLE 33, CHAPTER 16, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 33-1814; AMENDING SECTION 33-1902, ARIZONA REVISED STATUTES; AMENDING TITLE 33, CHAPTER 17, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 33-1906; AMENDING SECTION 42-15103, ARIZONA REVISED STATUTES; RELATING TO RESIDENTIAL RENTAL INSPECTION PROGRAMS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 9, Arizona Revised Statutes, is amended by adding
3 chapter 12, to read:

4 CHAPTER 12

5 RESIDENTIAL RENTAL INSPECTION PROGRAMS

6 ARTICLE 1. GENERAL PROVISIONS

7 9-1301. Definitions

8 IN THIS CHAPTER, UNLESS THE CONTEXT OTHERWISE REQUIRES:

9 1. "BUILDING CODE" MEANS THE CONSTRUCTION CODES THAT WERE IN FORCE AT
10 TIME OF BUILDING CONSTRUCTION, INCLUDING PLUMBING AND MECHANICAL CODES,
11 ELECTRIC CODES, RESIDENTIAL CONSTRUCTION CODES, ENERGY CONSERVATION CODES AND
12 EXISTING BUILDING CONSTRUCTION CODES, AND INCLUDES ANY PROPERTY MAINTENANCE
13 CODES, NEIGHBORHOOD PRESERVATION CODES, ANTI-BLIGHT CODES OR OTHER SIMILAR
14 CODES, HOWEVER DENOMINATED. WITH RESPECT TO MOBILE HOMES AS DEFINED IN
15 SECTION 33-1409, BUILDING CODE MEANS THE FEDERAL CONSTRUCTION CODES
16 APPLICABLE TO HOMES CONSTRUCTED AFTER JUNE 15, 1976, AND THE ARIZONA CODES
17 APPLICABLE TO HOMES CONSTRUCTED BEFORE THAT DATE.

18 2. "CITYWIDE RESIDENTIAL RENTAL PROPERTY INSPECTION PROGRAM" MEANS ANY
19 PROGRAM THAT INCLUDES SYSTEMATIC OR PERIODIC INSPECTIONS OF A MAJORITY OF
20 RENTAL PROPERTIES IN THE CITY THAT HAVE NOT PREVIOUSLY BEEN FOUND TO MEET THE
21 REQUIREMENTS OF SECTION 9-1304.

22 3. "EXTERIOR INSPECTION" MEANS THE VISUAL INSPECTION OF ANY PORTION OF
23 A RESIDENTIAL DWELLING UNIT THAT CAN BE SEEN FROM A PUBLIC STREET OR OTHER
24 RIGHT-OF-WAY, OR THAT CAN BE SEEN FROM AN ADJACENT PROPERTY IF A COMPLAINT OR
25 CONSENT IS RECEIVED FROM THE ADJACENT PROPERTY OWNER, LAWFUL RESIDENT OR
26 LAWFUL TENANT.

27 4. "INITIAL INSPECTION" MEANS THE FIRST INSPECTION OF A RESIDENTIAL
28 RENTAL DWELLING UNIT AFTER THE ESTABLISHMENT BY ORDINANCE OR RESOLUTION OF A
29 RESIDENTIAL RENTAL INSPECTION PROGRAM.

30 5. "INTERIOR INSPECTION" MEANS A PHYSICAL OR VISUAL INSPECTION OF THE
31 INTERIOR OF A RESIDENTIAL RENTAL DWELLING UNIT AND OTHER PORTIONS OF A
32 RESIDENTIAL RENTAL DWELLING UNIT THAT ARE NOT VISIBLE FROM A PUBLIC STREET,
33 RIGHT-OF-WAY OR NEIGHBORING PROPERTY THAT IS MADE FOR THE PURPOSE OF LOOKING
34 FOR BUILDING CODE VIOLATIONS.

35 6. "MOBILE HOME PARK" HAS THE SAME MEANING AS PRESCRIBED IN SECTION
36 33-1409.

37 7. "MULTIFAMILY HOUSING" MEANS SITE BUILT BUILDINGS CONTAINING
38 RESIDENTIAL DWELLING UNITS, BUT DOES NOT INCLUDE MOBILE HOME PARKS.

39 8. "OWNER" MEANS THE PERSON, CORPORATION, LIMITED LIABILITY COMPANY,
40 PARTNERSHIP, LIMITED PARTNERSHIP, TRUST OR REAL ESTATE INVESTMENT TRUST SHOWN
41 ON THE LAWFULLY RECORDED TITLE TO THE PROPERTY.

42 9. "RESIDENTIAL DWELLING UNIT" MEANS A BUILDING OR STRUCTURE OR PART
43 OF A BUILDING OR STRUCTURE THAT IS USED FOR A HOME OR RESIDENCE BY ONE OR
44 MORE PERSONS WHO MAINTAIN A HOUSEHOLD. IT ALSO MEANS A MOBILE HOME
45 REGARDLESS OF OWNERSHIP OF THE LAND.

1 10. "RESIDENTIAL RENTAL DWELLING UNIT" MEANS A DWELLING UNIT THAT IS
2 LEASED OR RENTED TO ONE OR MORE TENANTS. A DWELLING UNIT THAT IS OCCUPIED IN
3 PART BY THE OWNER OF THE DWELLING UNIT IS NOT A RESIDENTIAL RENTAL DWELLING
4 UNIT UNLESS A TENANT OCCUPIES A PART OF THE DWELLING UNIT THAT HAS ITS OWN
5 COOKING AND SLEEPING AREAS, A BATHROOM AND A SEPARATE ENTRANCE, UNLESS
6 OTHERWISE PROVIDED IN A ZONING ORDINANCE OF THE CITY OR TOWN. RESIDENTIAL
7 RENTAL DWELLING UNIT DOES NOT INCLUDE AN OWNER OCCUPIED MOBILE HOME IN A
8 MOBILE HOME PARK THAT IS NOT OWNED BY THE LANDLORD OF THE MOBILE HOME PARK.

9 11. "RESIDENTIAL RENTAL LICENSING REQUIREMENT" MEANS A REQUIREMENT
10 ESTABLISHED BY A CITY OR TOWN THAT PROPERTY OWNERS OR PROPERTY MANAGERS
11 OBTAIN A LICENSE OR PERMIT FROM THE CITY OR TOWN, WITH OR WITHOUT AN
12 ASSOCIATED FEE, BEFORE THEY CAN LEGALLY ENGAGE IN THE RENTAL OF DWELLING
13 UNITS IN THE CITY OR TOWN.

14 12. "RESIDENTIAL RENTAL REGISTRATION REQUIREMENT" MEANS ANY REQUIREMENT
15 ESTABLISHED BY A CITY OR TOWN FOR RENTAL HOUSING OWNERS OR MANAGERS TO SUBMIT
16 INFORMATION TO THE CITY OR TOWN AS ALREADY REQUIRED TO BE SUBMITTED TO THE
17 COUNTY ASSESSOR UNDER SECTION 33-1902.

18 9-1304. Individual property inspections

19 A. FOR INDIVIDUAL RESIDENTIAL RENTAL PROPERTIES THE CITY OR TOWN MAY
20 CONDUCT INTERIOR INSPECTIONS IF AN EXTERIOR INSPECTION OF THE PROPERTY
21 REVEALS OR IF THE PROPERTY IS FOUND TO HAVE ANY OF THE FOLLOWING:

22 1. CONDITIONS THAT MATERIALLY AFFECT THE HEALTH AND SAFETY OF THE
23 OCCUPANTS AS PRESCRIBED BY SECTION 9-1305.

24 2. A SIGNIFICANT LEVEL OF CRIME ASSOCIATED WITH THE PROPERTY.

25 3. A DOCUMENTED HISTORY OF BUILDING CODE VIOLATIONS.

26 4. THE OWNER REPEATEDLY FAILS TO COMPLY WITH BUILDING CODE ENFORCEMENT
27 REQUIREMENTS IMPOSED BY THE CITY OR TOWN.

28 5. THERE IS PROBABLE CAUSE THAT THE RESIDENTIAL RENTAL PROPERTY IS NOT
29 IN COMPLIANCE WITH THE CITY'S BUILDING CODE.

30 6. A COMPLAINT IS RECEIVED FROM OR CONSENT FOR INSPECTION IS GIVEN BY
31 THE OWNER OF RECORD, AGENT OR PROPERTY MANAGER, A LAWFUL RESIDENT OR A LAWFUL
32 TENANT OF THE RESIDENTIAL RENTAL UNIT.

33 B. IF THE CITY OR TOWN DETERMINES PURSUANT TO SUBSECTION A OF THIS
34 SECTION THAT AN INTERIOR INSPECTION IS REASONABLY NECESSARY AND THE
35 PROPERTY'S TENANT HAS VACATED, THE CITY OR TOWN MAY REQUIRE AN ADDITIONAL
36 INSPECTION AND APPROVAL BY THE CITY OR TOWN BEFORE A NEW OCCUPANCY IS
37 PERMITTED.

38 C. BEFORE ENTRY THE CITY OR TOWN SHALL RECEIVE CONSENT OF THE OWNER OF
39 RECORD OR A LAWFUL TENANT OR ON ISSUANCE OF A WARRANT.

40 D. THIS SECTION DOES NOT LIMIT THE AUTHORITY OF A CITY OR TOWN TO:

41 1. PERFORM AN EXTERIOR INSPECTION OF ANY PROPERTY IN THE CITY OR
42 TOWN'S JURISDICTION AT ANY TIME.

43 2. ON RECEIPT OF A COMPLAINT OR CONSENT FROM THE OWNER OR LAWFUL
44 TENANT, PERFORM AN INTERIOR INSPECTION OF ANY PROPERTY IN THE CITY OR TOWN'S
45 JURISDICTION.

1 3. PERFORM INTERIOR, EXTERIOR OR CONSTRUCTION JOB SITE INSPECTIONS OF
2 NEW CONSTRUCTION BEFORE ISSUANCE OF A CERTIFICATE OF OCCUPANCY.

3 4. PERFORM INTERIOR OR EXTERIOR INSPECTIONS OF ILLEGAL CONSTRUCTION
4 THAT OCCURRED WITHOUT A REQUIRED BUILDING PERMIT.

5 5. PERFORM AN INTERIOR INSPECTION OF ANY PROPERTY DURING AN EMERGENCY
6 OR NATURAL DISASTER.

7 E. A CITY OR TOWN MAY DESIGNATE ANY OF ITS DEPARTMENTS TO PERFORM ALL
8 OR PART OF THE DUTIES GRANTED TO THE CITY OR TOWN PURSUANT TO THIS CHAPTER.

9 9-1305. Material affect on health and safety of occupants

10 FOR THE PURPOSES OF THIS CHAPTER, A CONDITION THAT MATERIALLY AFFECTS
11 THE HEALTH AND SAFETY OF THE OCCUPANTS OF A RESIDENTIAL RENTAL DWELLING UNIT
12 INCLUDES ANY OF THE FOLLOWING CONDITIONS:

13 1. INADEQUATE SANITATION, VENTILATION OR SPACE REQUIREMENTS, INCLUDING
14 THE FOLLOWING:

15 (a) LACK OF OR INADEQUATE WATER CLOSETS, LAVATORIES, BATHTUBS OR
16 SHOWERS.

17 (b) LACK OF A REQUIRED KITCHEN SINK OR A KITCHEN SINK THAT DOES NOT
18 COMPLY WITH THE BUILDING CODE OF THE CITY OR TOWN IN WHICH THE PROPERTY IS
19 LOCATED.

20 (c) LACK OF HOT AND COLD RUNNING WATER TO PLUMBING FIXTURES.

21 (d) LACK OF ADEQUATE HEATING AND COOLING.

22 (e) LACK OF OR IMPROPER OPERATION OF REQUIRED VENTILATING EQUIPMENT OR
23 BROKEN OR MISSING WINDOWS OR DOORS THAT CREATE A HAZARDOUS CONDITION OR A
24 POTENTIAL ATTRACTION TO TRESPASSERS.

25 (f) LACK OF MINIMUM AMOUNTS OF NATURAL LIGHT AND VENTILATION AS
26 REQUIRED BY THE BUILDING CODE.

27 (g) INADEQUATE ROOM AND SPACE DIMENSIONS AS REQUIRED BY THE BUILDING
28 CODE.

29 (h) LACK OF REQUIRED ADEQUATE ELECTRICITY AND LIGHTING AS REQUIRED BY
30 THE BUILDING CODE.

31 (i) INFESTATION OF INSECTS, VERMIN OR RODENTS.

32 (j) LACK OF CONNECTION TO A SEWAGE DISPOSAL SYSTEM AS REQUIRED BY THE
33 BUILDING CODE.

34 (k) LACK OF ADEQUATE GARBAGE AND RUBBISH STORAGE AND REMOVAL
35 FACILITIES.

36 2. STRUCTURAL HAZARDS, INCLUDING THE FOLLOWING:

37 (a) SIGNIFICANTLY DETERIORATED OR INADEQUATE FOUNDATIONS OR FOUNDATION
38 AREAS THAT ARE NOT PROVIDED WITH ADEQUATE DRAINAGE.

39 (b) FLOORING OR FLOOR SUPPORTS OF INSUFFICIENT SIZE TO CARRY IMPOSED
40 LOADS WITH SAFETY.

41 (c) MEMBERS OF WALLS, PARTITIONS OR OTHER VERTICAL SUPPORTS THAT
42 SPLIT, LEAN, LIST OR BUCKLE DUE TO DEFECTIVE MATERIAL OR DETERIORATION.

43 (d) MEMBERS OF CEILINGS, ROOFS, CEILING AND ROOF SUPPORTS OR OTHER
44 HORIZONTAL MEMBERS THAT SIGNIFICANTLY SAG, SPLIT OR BUCKLE DUE TO DEFECTIVE
45 MATERIAL OR DETERIORATION.

- 1 (e) FIREPLACES OR CHIMNEYS THAT LIST, BULGE OR SETTLE DUE TO DEFECTIVE
2 MATERIAL OR DETERIORATION OR THAT ARE OF INSUFFICIENT SIZE OR STRENGTH TO
3 CARRY IMPOSED LOADS WITH SAFETY.
- 4 3. HAZARDOUS WIRING THAT DOES NOT CONFORM WITH THE BUILDING CODE OR
5 THAT HAS NOT BEEN MAINTAINED IN GOOD CONDITION, OR BOTH, AND THAT IS NOT
6 BEING USED IN A SAFE MANNER.
- 7 4. HAZARDOUS PLUMBING THAT DOES NOT CONFORM WITH THE BUILDING CODE OR
8 THAT HAS NOT BEEN MAINTAINED IN GOOD CONDITION, OR BOTH, AND THAT IS NOT FREE
9 OF CROSS-CONNECTIONS AND SIPHONAGE BETWEEN FIXTURES.
- 10 5. HAZARDOUS MECHANICAL EQUIPMENT INCLUDING VENTS THAT DO NOT CONFORM
11 WITH THE BUILDING CODE OR THAT HAVE NOT BEEN MAINTAINED IN GOOD AND SAFE
12 CONDITION AND THAT ARE NOT WORKING PROPERLY.
- 13 6. FAULTY WEATHER PROTECTION THAT MAY INCLUDE:
- 14 (a) SIGNIFICANTLY DETERIORATED, CRUMBLING OR LOOSE PLASTER.
- 15 (b) DETERIORATED OR INEFFECTIVE WATERPROOFING OF EXTERIOR WALLS, ROOF,
16 FOUNDATIONS OR FLOORS, INCLUDING BROKEN WINDOWS OR DOORS.
- 17 (c) DEFECTIVE OR LACK OF WEATHER PROTECTION FOR EXTERIOR WALL
18 COVERINGS, INCLUDING LACK OF PAINT, OR WEATHERING DUE TO LACK OF PAINT OR
19 OTHER APPROVED PROTECTIVE COVERING.
- 20 (d) BROKEN, ROTTED, SPLIT OR BUCKLED EXTERIOR WALL COVERINGS OR ROOF
21 COVERINGS.
- 22 7. FIRE HAZARDS OR INADEQUATE FIRE PROTECTION, INCLUDING:
- 23 (a) ANY BUILDING OR PORTION OF A BUILDING OR ANY DEVICE, APPARATUS,
24 EQUIPMENT, COMBUSTIBLE WASTE OR VEGETATION THAT IS NOT IN COMPLIANCE WITH THE
25 BUILDING CODE AND THAT IS IN SUCH A CONDITION AS TO CAUSE A FIRE OR EXPLOSION
26 OR TO PROVIDE A READY FUEL TO AUGMENT THE SPREAD AND INTENSITY OF A FIRE OR
27 EXPLOSION ARISING FROM ANY CAUSE.
- 28 (b) ANY BUILDING OR PORTION OF A BUILDING THAT IS NOT PROVIDED WITH
29 FIRE-RESISTIVE CONSTRUCTION OR FIRE EXTINGUISHING SYSTEMS OR EQUIPMENT
30 REQUIRED BY THE BUILDING CODE, EXCEPT THOSE BUILDINGS OR PORTIONS OF
31 BUILDINGS THAT CONFORMED WITH ALL APPLICABLE BUILDING CODE LAWS AND THAT HAVE
32 FIRE-RESISTIVE INTEGRITY AND FIRE EXTINGUISHING SYSTEMS OR EQUIPMENT THAT HAS
33 BEEN ADEQUATELY MAINTAINED AND IMPROVED IN RELATION TO ANY INCREASE IN
34 OCCUPANT LOAD, ALTERATION OR ADDITION, OR ANY CHANGE IN OCCUPANCY.
- 35 (c) LACK OF ADEQUATE FIRE DETECTION SYSTEMS AS REQUIRED BY LAW.
- 36 8. FAULTY MATERIALS OR CONSTRUCTION THAT IS NOT SPECIFICALLY ALLOWED
37 OR APPROVED BY THE BUILDING CODE OR THAT HAS NOT BEEN ADEQUATELY MAINTAINED
38 IN GOOD AND SAFE CONDITION.
- 39 9. HAZARDOUS OR UNSANITARY PREMISES, INCLUDING THOSE PREMISES ON WHICH
40 AN ACCUMULATION OF WEEDS, VEGETATION, REFUSE, DEAD ORGANIC MATTER, DEBRIS,
41 GARBAGE, OFFAL, RAT HARBORAGES, STAGNANT WATER, COMBUSTIBLE MATERIALS AND
42 SIMILAR MATERIALS OR CONDITIONS CONSTITUTE FIRE, HEALTH OR SAFETY HAZARDS.
- 43 10. INADEQUATE MAINTENANCE, INCLUDING ANY BUILDING OR PORTION OF A
44 BUILDING THAT IS DETERMINED TO BE AN UNSAFE BUILDING IN ACCORDANCE WITH THE
45 BUILDING CODE.

1 11. UNHEALTHY CONDITIONS, INCLUDING ANY CONDITION AS DEFINED IN THE
2 BUILDING CODE THAT RESULTS IN THE FAILURE TO MAINTAIN MINIMUM STANDARDS OF
3 SANITATION, HEALTH OR SAFETY OR THAT RENDERS AIR, FOOD OR DRINK UNWHOLESOME
4 OR DETRIMENTAL TO HEALTH.

5 12. INADEQUATE EXITS, INCLUDING ALL BUILDINGS OR PORTIONS OF A BUILDING
6 THAT ARE NOT PROVIDED WITH ADEQUATE EXIT FACILITIES AS REQUIRED BY THE
7 BUILDING CODE AND THAT HAVE BEEN ADEQUATELY MAINTAINED AND INCREASED IN
8 RELATION TO ANY INCREASE IN OCCUPANT LOAD, ALTERATION OR ADDITION, OR ANY
9 CHANGE IN OCCUPANCY.

10 13. IMPROPER OCCUPANCY, INCLUDING ALL BUILDINGS OR PORTIONS OF A
11 BUILDING THAT ARE OCCUPIED FOR LIVING, SLEEPING, COOKING OR DINING PURPOSES
12 AND THAT WERE NOT DESIGNED AND PERMITTED TO BE USED FOR SUCH OCCUPANCIES, OR
13 THAT ARE OCCUPIED IN EXCESS OF THE MAXIMUM OCCUPANCY LOAD ALLOWED BY ANY
14 APPLICABLE PROVISION OF THE BUILDING CODE OR STATE LAW.

15 9-1306. Adoption of citywide residential rental property
16 licensing, registration or inspection program;
17 requirements

18 A. A CITY OR TOWN MAY ADOPT A CITYWIDE RESIDENTIAL RENTAL PROPERTY
19 INSPECTION PROGRAM ONLY IF THE FOLLOWING OCCURS:

20 1. THE CITY OR TOWN CONDUCTS A PUBLIC HEARING AND ADOPTS THE RENTAL
21 PROPERTY INSPECTION PROGRAM ORDINANCE OR RESOLUTION AT A REGULARLY HELD CITY
22 OR TOWN COUNCIL MEETING THAT OCCURS AT LEAST THIRTY DAYS AFTER THE PUBLIC
23 HEARING.

24 2. THE ORDINANCE OR RESOLUTION IS ADOPTED BY AT LEAST A THREE-FOURTHS
25 VOTE OF THE ENTIRE COUNCIL.

26 3. THE CITY OR TOWN NOTIFIES ALL OWNERS OF RESIDENTIAL RENTAL
27 PROPERTIES WHO ARE THEN CURRENTLY REGISTERED WITH THE COUNTY ASSESSOR OF THE
28 COUNTY IN WHICH THE PROPERTY IS LOCATED.

29 4. THE NOTICE TO OWNERS IS MAILED BY FIRST CLASS MAIL AT LEAST TWENTY
30 DAYS IN ADVANCE OF THE REQUIRED PUBLIC HEARING.

31 5. A NOTICE OF THE PUBLIC HEARING IS PUBLISHED IN A LOCAL NEWSPAPER OF
32 GENERAL CIRCULATION AND ANY OFFICIAL MUNICIPAL WEB SITE NOT LESS THAN TWO
33 WEEKS BEFORE THE REQUIRED PUBLIC HEARING.

34 B. A CITY OR TOWN SHALL NOT ADOPT A RESIDENTIAL RENTAL LICENSING
35 REQUIREMENT FOR RESIDENTIAL RENTAL PROPERTIES OR PROPERTY OWNERS. THIS
36 SUBSECTION DOES NOT PROHIBIT A CITY OR TOWN THAT IMPOSES A SALES TAX ON RENT
37 FROM REQUIRING A TRANSACTION PRIVILEGE TAX LICENSE FOR RESIDENTIAL RENTAL
38 PROPERTY OWNERS.

39 C. A CITY OR TOWN SHALL NOT ADOPT A RESIDENTIAL RENTAL REGISTRATION
40 REQUIREMENT. A CITY OR TOWN SHALL OBTAIN RENTAL REGISTRATION INFORMATION
41 ONLY FROM THE COUNTY ASSESSOR'S OFFICE FOR THE COUNTY IN WHICH THE
42 RESIDENTIAL RENTAL PROPERTY IS LOCATED.

1 9-1307. Inspection fees; penalties

2 A. A CITY OR TOWN SHALL NOT CHARGE A FEE FOR NONPERMIT RELATED INITIAL
3 EXTERIOR INSPECTIONS, INITIAL INTERIOR INSPECTIONS THAT ARE REQUESTED BY AN
4 OWNER OF RECORD OR A LAWFUL TENANT, FOR INITIAL INTERIOR INSPECTIONS PURSUANT
5 TO ISSUANCE OF A WARRANT, INITIAL ANNUAL INSPECTION PURSUANT TO A RESIDENTIAL
6 RENTAL INSPECTION PROGRAM OR FOR AN INITIAL FOLLOW-UP INSPECTION WHERE ALL
7 BUILDING CODE VIOLATIONS IDENTIFIED TO THE PROPERTY OWNER WITH A WRITTEN
8 NOTICE OR CITATION HAVE BEEN CORRECTED.

9 B. A CITY OR TOWN MAY CHARGE A REASONABLE FEE:

10 1. FOR EACH SUBSEQUENT FOLLOW-UP INTERIOR OR EXTERIOR INSPECTION TO
11 ENSURE COMPLIANCE WITH A CITATION OR NOTICE ISSUED FOR VIOLATIONS OF THE
12 BUILDING CODE THAT MATERIALLY AFFECT THE HEALTH AND SAFETY OF RESIDENTS.

13 2. IF AN OWNER FAILS TO CORRECT A VIOLATION FOR WHICH A NOTICE OR
14 CITATION HAS BEEN ISSUED AND THE OWNER HAS BEEN GIVEN ADEQUATE TIME TO
15 CORRECT THE VIOLATION. FOR THE PURPOSES OF THIS PARAGRAPH, ADEQUATE TIME
16 SHALL BE NO LESS THAN FIFTEEN CALENDAR DAYS. FOR THE PURPOSE OF THIS
17 SECTION, A REASONABLE FEE MAY INCLUDE THE COSTS INCURRED BY THE CITY OR TOWN
18 FOR ALL RELATED INSPECTIONS PRIOR TO THE FAILURE OF THE OWNER TO CORRECT
19 IDENTIFIED VIOLATIONS.

20 C. NOTWITHSTANDING SUBSECTION B, A VIOLATION OF THE BUILDING CODE THAT
21 IMMEDIATELY THREATENS THE HEALTH AND SAFETY OF OCCUPANTS SHALL BE CITED AND
22 REPAIRED IMMEDIATELY.

23 Sec. 2. Section 33-1247, Arizona Revised Statutes, is amended to read:

24 33-1247. Upkeep of the condominium

25 A. Except to the extent provided by the declaration, subsection ~~B~~ C
26 of this section or section 33-1253, subsection B, the association is
27 responsible for maintenance, repair and replacement of the common elements
28 and each unit owner is responsible for maintenance, repair and replacement of
29 ~~his~~ THE unit. On reasonable notice, each unit owner shall afford to the
30 association and the other unit owners, and to their agents or employees,
31 access through ~~his~~ THE unit reasonably necessary for those purposes. If
32 damage is inflicted on the common elements or any unit through which access
33 is taken, the unit owner responsible for the damage, or the association if it
34 is responsible, is liable for the prompt repair of the damage.

35 B. FOR ANY RESIDENTIAL RENTAL UNITS THAT HAVE BEEN DECLARED A SLUM
36 PROPERTY BY THE CITY OR TOWN PURSUANT TO SECTION 33-1905 AND THAT ARE IN THE
37 CONDOMINIUM COMPLEX, THE ASSOCIATION IS RESPONSIBLE FOR ENFORCING ANY
38 REQUIREMENT FOR A LICENSED PROPERTY MANAGEMENT FIRM THAT IS IMPOSED BY A CITY
39 OR TOWN PURSUANT TO SECTION 33-1906.

40 ~~B~~ C. In addition to the liability borne by the declarant as a unit
41 owner under this chapter, the declarant alone is liable for the maintenance,
42 repair and replacement of any portion of the common elements which the
43 declarant reserves the right to withdraw from the condominium, as long as ~~he~~
44 THE UNIT OWNER maintains that right.

1 Sec. 3. Title 33, chapter 16, article 1, Arizona Revised Statutes, is
2 amended by adding section 33-1814, to read:

3 33-1814. Slum property; professional management

4 FOR ANY RESIDENTIAL RENTAL UNITS THAT HAVE BEEN DECLARED A SLUM
5 PROPERTY BY THE CITY OR TOWN PURSUANT TO SECTION 33-1905 AND THAT ARE IN THE
6 PLANNED COMMUNITY, THE ASSOCIATION IS RESPONSIBLE FOR ENFORCING ANY
7 REQUIREMENT FOR A LICENSED PROPERTY MANAGEMENT FIRM THAT IS IMPOSED BY A CITY
8 OR TOWN PURSUANT TO SECTION 33-1906.

9 Sec. 4. Section 33-1902, Arizona Revised Statutes, is amended to read:

10 33-1902. Residential rental property; recording with the
11 assessor; agent designation; civil penalty

12 A. An owner of residential rental property shall maintain with the
13 assessor in the county where the property is located information required by
14 this section in a manner to be determined by the assessor. The owner shall
15 update any information required by this section within ten days after a
16 change in the information occurs. The following information shall be
17 maintained:

18 1. The name, address and telephone number of the property owner.

19 2. If the property is owned by a corporation, limited liability
20 company, partnership, limited partnership, trust or real estate investment
21 trust, the name, address and telephone number of any of the following:

22 (a) For a corporation, a corporate officer.

23 (b) For a partnership, a general partner.

24 (c) For a limited liability company, the managing or administrative
25 member.

26 (d) For a limited partnership, a general partner.

27 (e) For a trust, a trustee.

28 (f) For a real estate investment trust, a general partner or an
29 officer.

30 3. The street address and parcel number of the property.

31 4. The year the building was built.

32 B. An owner of residential rental property who lives outside this
33 state shall designate and record with the assessor a statutory agent who
34 lives in this state and who will accept legal service on behalf of the owner.
35 The owner shall designate the agent in a manner to be determined by the
36 assessor. The information shall include the name, address and telephone
37 number of the agent.

38 C. Residential rental property shall not be occupied if the
39 information required by this section is not on file with the county assessor.
40 If the owner has not filed the information required by this section with the
41 county assessor and the residential rental property is occupied by a tenant
42 and the tenant chooses to terminate the tenancy, the tenant shall deliver to
43 the landlord, owner or managing agent of the property a written ten day
44 notice to comply with this section. The notice shall be delivered by
45 certified mail, return receipt requested, or by hand delivery. If the owner

1 does not comply with this section within ten days after receipt of the
2 notice, the tenant may terminate the rental agreement and the landlord shall
3 return all prepaid rent to the tenant. Security deposits shall be returned
4 in accordance with section 33-1321, subsection D. The landlord shall return
5 those monies by certified mail, return receipt requested, or by hand delivery
6 to the tenant within ten days after the termination of the rental
7 agreement. This subsection applies to any existing lease and to any new
8 lease after ~~the effective date of this amendment to this section~~ AUGUST 25,
9 2004. Notwithstanding this subsection, an owner is in compliance with this
10 subsection only if the owner had filed the information required by subsection
11 A of this section with the county assessor.

12 D. All records, files and documents that are required by this section
13 are public records.

14 E. FOR RESIDENTIAL RENTAL PROPERTY THAT IS ACQUIRED BY AN OWNER AFTER
15 THE DATE OF THE NOTICE OF ASSESSED VALUATION AND THE NOTICE PRESCRIBED BY
16 SECTION 42-15103 AND UNTIL THE ISSUANCE OF THE NEXT NOTICE OF ASSESSED
17 VALUATION, A CITY OR TOWN SHALL ASSESS A CIVIL PENALTY OF ONE THOUSAND
18 DOLLARS AGAINST a person who fails to comply with this section ~~shall be~~
19 ~~assessed a civil penalty of one thousand dollars~~, plus an additional one
20 hundred dollars for each month after the date of the original violation until
21 compliance occurs. The court shall not suspend any portion of the civil
22 penalty provided by this subsection.

23 F. Notwithstanding subsection E of this section, if a person complies
24 within ten days after receiving the complaint that notices the violation, the
25 court shall dismiss the complaint and shall not impose a civil penalty.

26 G. EXCEPT FOR NEWLY ACQUIRED RESIDENTIAL RENTAL PROPERTY AS PRESCRIBED
27 BY SUBSECTION E OF THIS SECTION, IF A RESIDENTIAL RENTAL PROPERTY OWNER FAILS
28 TO REGISTER WITH THE COUNTY ASSESSOR AS PRESCRIBED BY THIS SECTION, THE CITY
29 OR TOWN MAY IMPOSE A CIVIL PENALTY IN THE AMOUNT OF ONE HUNDRED FIFTY DOLLARS
30 PER DAY FOR EACH DAY OF VIOLATION AFTER THE DATE OF THE MOST RECENT NOTICE OF
31 ASSESSED VALUATION AND THE NOTICE PRESCRIBED BY SECTION 42-15103. IF A
32 PERSON COMPLIES WITHIN TEN DAYS AFTER RECEIVING THE NOTICE FROM THE COUNTY
33 ASSESSOR, THE COURT SHALL DISMISS THE COMPLAINT AND SHALL NOT IMPOSE A CIVIL
34 PENALTY.

35 ~~G.~~ H. In carrying out this section, the county assessor shall have
36 immunity as provided in section 12-820.01.

37 I. THE COUNTY ASSESSOR MAY ASSESS A FEE OF NOT MORE THAN TEN DOLLARS
38 FOR EACH INITIAL REGISTRATION AND EACH CHANGE OF INFORMATION IN THE REGISTRY.

39 J. ON REQUEST FROM A CITY OR TOWN THE COUNTY ASSESSOR SHALL PROVIDE
40 THE MOST CURRENT LIST OF ALL REGISTERED RENTAL PROPERTY OWNERS WITHIN THE
41 CITY'S OR TOWN'S BOUNDARIES.

1 Sec. 5. Title 33, chapter 17, article 1, Arizona Revised Statutes, is
2 amended by adding section 33-1906, to read:

3 33-1906. Licensed property management company; training program

4 A CITY OR TOWN MAY REQUIRE A RESIDENTIAL RENTAL PROPERTY OWNER WHOSE
5 PROPERTY HAS BEEN DESIGNATED AS A SLUM OR EXHIBITS THE CRITERIA PRESCRIBED IN
6 SECTION 9-1305, RELATING TO VIOLATIONS THAT MATERIALLY AFFECT THE HEALTH AND
7 SAFETY OF THE OCCUPANTS OF THE PROPERTY, TO HIRE A PROPERTY MANAGEMENT FIRM
8 THAT IS REGULATED PURSUANT TO TITLE 32, CHAPTER 20, ARTICLE 3.1 TO MANAGE THE
9 PROPERTY, PARTICIPATE IN THE CITY OR TOWN'S CRIME FREE MULTIHOUSING PROGRAM,
10 IF APPLICABLE, AND ATTEND CITY OR TOWN APPROVED LANDLORD TENANT TRAINING
11 CLASSES IF AVAILABLE FROM THE CITY OR TOWN. THE CITY OR TOWN MAY ALSO
12 REQUIRE THE PROPERTY OWNER TO PARTICIPATE IN COMPARABLE TRAINING PROVIDED BY
13 A NONPROFIT CORPORATION THAT IS DESIGNATED AS A SECTION 501(c)(3), 501(c)(4),
14 501(c)(5) OR 501(c)(6) CORPORATION AND THAT IS CERTIFIED BY THE CITY OR TOWN
15 TO PROVIDE THAT TRAINING. THIS SHALL NOT APPLY TO MOBILE HOME PARKS WHICH
16 ARE IN COMPLIANCE WITH SECTION 33-1437.

17 Sec. 6. Section 42-15103, Arizona Revised Statutes, is amended to
18 read:

19 42-15103. Contents of notice form

20 The notice form shall:

21 1. Prominently display a statement informing property owners that if a
22 parcel of property is used as a rental unit and the property is listed on the
23 notice as class three pursuant to section 42-12003, the owner must notify the
24 county assessor of the rental use of the property or be subject to a civil
25 penalty prescribed by section 42-12052.

26 2. Include a form with instructions on the procedure and deadlines for
27 appealing the assessed valuation shown on the notice. The appeal form for
28 property that is listed as class three pursuant to section 42-12003 shall
29 contain simplified instructions and shall be separate from the appeal form
30 for other classes of property.

31 3. PROVIDE IN A SEPARATE ADDENDUM A STATEMENT INFORMING PROPERTY
32 OWNERS OF ALL OF THE FOLLOWING:

33 (a) IF A PARCEL OF PROPERTY IS USED FOR RESIDENTIAL RENTAL PURPOSES,
34 THE PARCEL MUST BE LISTED ON THE NOTICE AS CLASS FOUR, AND THE OWNER MUST
35 REGISTER THE RESIDENTIAL RENTAL PROPERTY WITH THE COUNTY ASSESSOR PURSUANT TO
36 SECTION 33-1902 OR THE OWNER MAY BE SUBJECT TO A PENALTY.

37 (b) IF THE OWNER IS REQUIRED TO REGISTER THE RENTAL PROPERTY WITH THE
38 COUNTY ASSESSOR AND FAILS TO DO SO AFTER RECEIPT OF THIS NOTICE, THE CITY OR
39 TOWN MAY IMPOSE A CIVIL PENALTY PAYABLE TO THE CITY OR TOWN IN THE AMOUNT OF
40 ONE HUNDRED FIFTY DOLLARS PER DAY FOR EACH DAY OF VIOLATION, AND THE CITY OR
41 TOWN MAY IMPOSE ENHANCED INSPECTION AND ENFORCEMENT MEASURES ON THE PROPERTY.

1 (c) IF THE CITY OR TOWN IN WHICH THE PROPERTY IS LOCATED REQUIRES THE
2 LESSOR TO PAY TRANSACTION PRIVILEGE TAX ON RESIDENTIAL RENT, A NOTICE OF
3 APPLICABLE REQUIREMENTS IMPOSED BY THE CITY OR TOWN AND THAT FAILURE TO PAY
4 THE APPLICABLE SALES TAX COULD RESULT IN A PENALTY OR FINE BY THE CITY OR
5 TOWN.
6 (d) A NOTICE THAT RESIDENTIAL RENTAL PROPERTIES ARE REQUIRED TO COMPLY
7 WITH THE LANDLORD TENANT LAW PURSUANT TO TITLE 33, CHAPTERS 10 AND 11.